

Overview of Teacher Compensation Issues

Prepared for the
Washington Learns
K-12 Advisory Committee

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1. Reasons to Change the Schedule

- **Our primary education goal – improved student achievement**
- **Requirements for teaching in a standards based system are different, existing SAM doesn't reward attainment of needed knowledge and skills**
- **The pay structure must insure that there is a high quality teacher in every classroom, including urban and rural classrooms, math and science classrooms, high poverty school classrooms**
- **Each teacher must have the instructional expertise to teach students to rigorous performance standards, including the ability to use content to solve real world problems**

Current Compensation Structure is Not Linked to Current Goals

- **Top education goal is improved student academic achievement**
- **Elements in current schedule– years of experience, education units and degrees – while key variables– are not or are only loosely linked to that goal**
 - **Use elements that are linked to student learning gains – teacher knowledge, skills and instructional expertise**
- **No pay element directly linked to improved student achievement**
 - **Consider creating such a new pay element**

2. Goals and Objectives for Teacher Compensation

- **Recruit and retain high quality teachers**
 - In all districts
 - In places experiencing shortages
 - Urban and some rural districts
 - Some content areas – math, science, technology, etc.
- **Enhance the instructional expertise of all teachers to world class levels, with a focus on problem solving and application**
- **Have teachers focus like a laser on improving student academic achievement**

Specific Objectives to Attain Goals

- **Set market competitive salary levels – education and the broad labor market as well**
- **Identify the wage premiums needed in shortage areas – urban/rural, math and science, high poverty schools**
- **Identify an instructional vision that can attain these goals and an aligned performance assessment system, and use the results in a new pay structure**
- **Incorporate student performance targets into a new teacher pay element**

3. Elements of Teacher Compensation

- **Base Pay***
- **Variable Pay***
- **Base pay + Variable Pay = Cash Compensation**
- **Benefits**
- **Career Opportunity**
- **Working Conditions – addressed by adequacy proposals**

***Pay elements on which we will work**

Base Pay

- **The monthly check – the most important aspect of pay**
- **Beginning pay – critical for recruiting new individuals to teaching**
- **Average pay – critical for retaining teachers in the system, especially the best teachers**
- **Base pay progression – what earns the annual raise – replace or augment years and degrees with knowledge, skills and instructional expertise**

Variable Pay

- **Based on organizational performance – increased student academic achievement**
- **Provided as an annual bonus – not added to base pay**
- **Variable because the bonus is paid only if the performance improvement is made**
- **Important when improved organizational performance is critical – which is the case today in education**

Other Pay Elements

- **Benefits – teacher benefits are generally quite good relative to other occupations**
- **Career Opportunities – will be included in the knowledge and skills-based structure we propose**
- **Working conditions – addressed by all the evidence-based recommendations**

4a. Setting Pay Levels

- **Compare teachers to the overall labor market – 12-15 regions within Washington**
- **Compare to jobs with similar knowledge, skills, and work activities**
- **Professor Jennifer Imazeki is conducting a labor market analysis – results in April**

4a. Setting Pay Levels for Teachers as a Whole

- **Five categories of jobs similar to teaching:**
 - **Other types of teaching – adult education teachers, vocational ed teachers, pre school teachers, etc.**
 - **College teachers, mainly community, 2 year and 4 year colleges**
 - **Occupations related to teaching: training specialists and managers, extension agents, librarians**
 - **Social workers, counselors, psychologists**
 - **Health care occupations like nurses, physical therapists, audiologists, nutritionists, pharmacists**

4b. Wage Premiums: for Subject Areas Shortages

- **Jobs similar to math, science and technology teachers**
 - Accountants
 - Engineers
 - Computer/information technology
 - Professional level sales
 - Science – e.g., food scientists, zoologists, foresters, medical scientists, space scientists, chemists, environmental scientists

4c. Base Pay Progression: A Knowledge and Skills Structure

- **Make improved instructional expertise the primary factor that produces pay increases over time**
- **Include other factors as well**
- **Bias the structure towards factor that research shows is linked to student learning gains**

Base Pay Progression

- **Should base pay progression be linked to student learning gains?**
- **NO**
- **Base pay is the part of the compensation system where the system is “buying” teacher assets**
 - **Need to buy assets that matter**
 - **Key asset today is instructional expertise**
- **Variable pay is the element linked to student achievement**

However

- **Consider adding a base pay progression element that is linked to student learning gains**
 - Yes, it can not affect all teachers
 - Yes, it is very controversial
 - Yes, there are technical design challenges
 - **BUT, it provides political cover -- DENVER**

Possible KSBP Structure

	Step Within Level	Bachelors Degree		Masters Degree		M+60/Doctorate	
		w/o NBC	w/ NBC	w/o NBC	w/ NBC	w/o NBC	w/ NBC
Entry	1	\$30,383		\$33,421		\$36,763	
	2	\$30,839		\$33,923		\$37,315	
	3	\$31,301		\$34,431		\$37,875	
Emerging Career	1	\$34,431	\$40,431	\$37,875	\$43,875	\$41,662	\$47,662
	2	\$34,948	\$40,948	\$38,443	\$44,443	\$42,287	\$48,287
	3	\$35,472	\$41,472	\$39,019	\$45,019	\$42,921	\$48,921
	4	\$36,004	\$42,004	\$39,605	\$45,605	\$43,565	\$49,565
	5	\$36,544	\$42,544	\$40,199	\$46,199	\$44,219	\$50,219
	6	\$37,092	\$43,092	\$40,802	\$46,802	\$44,882	\$50,882
Career	1	\$40,802	\$46,802	\$44,882	\$50,882	\$49,370	\$55,370
	2	\$41,414	\$47,414	\$45,555	\$51,555	\$50,111	\$56,111
	3	\$42,035	\$48,035	\$46,238	\$52,238	\$50,862	\$56,862
	4	\$42,665	\$48,665	\$46,932	\$52,932	\$51,625	\$57,625
	5	\$43,305	\$49,305	\$47,636	\$53,636	\$52,400	\$58,400
	6	\$43,955	\$49,955	\$48,351	\$54,351	\$53,186	\$59,186
Master	1	\$48,351	\$54,351	\$53,186	\$59,186	\$58,504	\$64,504
	2	\$49,076	\$55,076	\$53,983	\$59,983	\$59,382	\$65,382
	3	\$49,812	\$55,812	\$54,793	\$60,793	\$60,272	\$66,272
	4	\$50,559	\$56,559	\$55,615	\$61,615	\$61,177	\$67,177
	5	\$51,317	\$57,317	\$56,449	\$62,449	\$62,094	\$68,094
	6	\$52,087	\$58,087	\$57,296	\$63,296	\$63,026	\$69,026

Beginning Salary \$30,383
 Percent Increase for Step 1.5%
 Percent Increase for Skill Level 10.0%
 Percent for Degree 10.0%
 National Board Certification (NBC) \$6,000



Aspects of this New Structure

- **Major pay increase is based on instructional performance – 10 % between categories**
- **Some step increases – 1.5 %**
- **Pay can top out at different levels if instructional performance does not increase**
- **Includes wage premiums for math, science, MA, Doctorate, and National Board Certification**
- **Needs operating and transition rules**
 - **Key principle: move everyone on at current pay level**

Who Should Develop the Performance Assessment System?

- **The STATE with district/association involvement**
- **Districts need support and pooled expertise to create a sustainable system**
- **System should also be linked to the two tiered licensure system**
- **A common evaluation system allows comparability between districts if some pay elements are designed locally**
- **In this way, the state can sponsor an ambitious instructional vision, one that can educate students to world class levels**

4c. A Variable Pay Element

- **Linked to organizational, usually school, performance – student achievement**
- **Based on IMPROVEMENTS in student achievement – above historical trends**
- **Annual bonus**
 - Needs to be re earned each year
 - Each year the target is raised
 - So bolsters schools as continuous improvement

Nine Key Design Issues

- 1. Identify key performance elements – mostly student academic achievement**
- 2. Determine how they will be measured – WASL tests, plus ?**
- 3. Determine how to calculate improvement – simple change, change to a standard (AYP), value added – above measurement error**

Nine Key Design Issues

- 4. Create a level playing field – mobility, poverty, ELL, etc.**
- 5. Specify as a bonus, not addition to base pay**
- 6. How large – 4-8 percent, so \$2000-4000, and best to have multiple awards – threshold, target, above target**
 - Use of a balanced scorecard**

Nine Key Design Issues

- 7. Awards to everyone in a school or to individual teachers**
 - Administrators and classified staff too
- 8. Write eligibility rules – specify up front as a bonus, do not have each school determine what to do with the money**
- 9. Determine strategy if costs exceed budget**

“Macro” Decision Areas

- **Yes, we will provide labor market data**
 - **Committee will need to decide where it wants Washington to be in the market – April meeting**
- **Degree of interest in changing the salary schedule – from the traditional schedule in current allocation model to one based on knowledge and skills**
- **Degree of interest in wage premiums**
- **Degree of interest in a variable pay element**

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